

Internal Revenue Service

Number: **200903072**

Release Date: 1/16/2009

Index Number: 897.00-00, 897.06-02,
1445.02-00, 1445.07-02,
9100.00-00, 9100.22-00

Department of the Treasury
Washington, DC 20224

Third Party Communication: None
Date of Communication: Not Applicable
Person To Contact:

, ID No.

Telephone Number:

Refer Reply To:

CC:INTL:B04

PLR-128643-08

Date:

October 07, 2008

LEGEND

Year 1=

Taxpayer 1=

Taxpayer 2=

Taxpayer 3=

Taxpayer 4=

Taxpayer 5=

Taxpayer 6=

Taxpayer 7=

Taxpayer 8=

Taxpayer 9=

Taxpayer 10=

Taxpayer 11=

Taxpayer 12=

Taxpayer 13=

Taxpayer 14=

Taxpayer 15=

Taxpayer 16=

Taxpayer 17=

Taxpayer 18=

Taxpayer 19=

Taxpayer 20=

Taxpayer 21=

Taxpayer 22=

Taxpayer 23=

Taxpayer 24=

Taxpayer 25=

Taxpayer 26=

Taxpayer 27=

Taxpayer 28=

Taxpayer 29=

Taxpayer 30=

Taxpayer 31=

Taxpayer 32=

Taxpayer 33=

Taxpayer 34=

Taxpayer 35=

Taxpayer 36=

Dear :

This replies to a letter dated June 24, 2008, in which Taxpayers by their common representative, each request an extension of time under Treas. Reg. § 301.9100-3 to satisfy the statement and notice requirements of Treas. Reg. §§ 1.897-2(g) and 1.897-(h)(2), 1.1445-2(c)(3) and 1.1445-5(b)(4)(iii). Please note that the procedures of Rev. Proc. 2008-27 apply with respect to relief for any untimely statements and notices under

Treas. Reg. §§ 1.897-2(g) and 1.897-2(h)(2) filed after June 26, 2008. The information submitted for consideration is substantially as set forth below.

The rulings contained in this letter are based upon information and representations submitted by the Taxpayers and accompanied by a penalty of perjury statement executed by an appropriate party. This office has not verified any of the material submitted in support of the request for ruling. Verification of the factual information, representations, and other data may be required as a part of the audit process.

Prior to the transactions at issue, Taxpayer 1 was the common parent of Taxpayers 2 through 36. In Year 1, Taxpayer 1 undertook a series of transactions to separate its legal entities into publicly traded companies. Taxpayers 2 through 36 were among those entities involved in these separation transactions. The transactions which included Taxpayers 2 through 36 involved either a United States target corporation or United States assets.

The Taxpayers have represented that they met the exception from United States Real Property Interest treatment as defined by section 897(c)(1)(B) in that Taxpayers 2, 5, 9, 12, 16, 19, 22, 23, 24, 25, 26, 29, 30, and 31 (the "Target Corporations") shares were not US real property interests within the meaning of section 897(c) ("USRPI").

For various reasons provided in affidavits and documents submitted by the Taxpayers, with respect to each transaction, Taxpayers 3, 6, 7, 10, 13, 14, 17, 20, 27, 32, 34, and 36 (the "Foreign Transferors") did not obtain a statement from the Target Corporation that the interest in the Target Corporation was not a USRPI as of the disposition date. Likewise, with respect to each transaction, the Target Corporations did not submit that notice that the interest was not a USRPI to the IRS as required by Treas. Reg. § 1.897-2(h)(2). Finally, the Foreign Transferors did not provide an affidavit to Taxpayers 4, 8, 11, 14, 15, 18, 21, 27, 28, 32, 33, 34, and 35 (the "Transferees"), or in the case of distributions covered by section 1445(c)(2), the Foreign Transferors did not receive the statement issued pursuant to Treas. Reg. § 1.897-2(h) prior to the transfer.

Treas. Reg. § 301.9100-1(c) provides that the Commissioner has discretion to grant a reasonable extension of time under the rules set forth in Treas. Reg. § 301.9100-3 to make a regulatory election under all subtitles of the Internal Revenue Code except subtitles E, G, H, and I.

Treas. Reg. § 301.9100-1(b) defines a regulatory election as an election whose due date is prescribed by a regulation, revenue ruling, revenue procedure, notice or announcement. An election includes an application for relief in respect of tax.

Treas. Reg. § 301.9100-3(a) provides that requests for relief subject to this section will be granted when the taxpayer provides evidence (including affidavits described in

Treas. Reg. § 301.9100-3(e)) to establish to the satisfaction of the Commissioner that the taxpayer acted reasonably and in good faith, and that the grant of relief will not prejudice the interests of the Government.

Based upon the facts and circumstances of this case, we conclude that the standards of Treas. Reg. § 301.9100-3(a) have been satisfied. Accordingly, the parties are granted an extension of time until 60 days from the date of this ruling letter to satisfy the statement and notice requirements of Treas. Reg. §§ 1.897-2(g)(1), 1.897-2(h)(2), 1.1445-2(c)(3), and 1.1445-5(b)(4)(iii) with respect to the transactions involving Taxpayers 2 through 36.

The granting of an extension of time is not a determination that the parties are otherwise eligible to comply with the statement, notice and withholding requirements. Treas. Reg. § 301.9100-1(a). No opinion is expressed as to the application of any other section of the Code or regulations to the facts presented.

A copy of this ruling letter should be attached with the statements and the notices mailed to the IRS.

This ruling is directed to the taxpayer who requested it. Section 6110(k)(3) provides that it may not be used or cited as precedent.

Sincerely,

Meryl Silver
Special Counsel
Associate Chief Counsel
(International)

cc: